LAPSING OF POLICIES IN LIFE INSURANCE SECTOR – NEED FOR COMPETETIVE STRATEGIES

SURESH CHANDRA.CH*; JENDA. RAMESH**

*Ph.D Research Scholar (UGC NET JRF), Department of Commerce & Business Management, Kakatiya University, Warangal.
**Lecturer in Management, St. Joseph’s P.G. College, Rampur(v), Dharmasagar Mandal, Warangal District.

ABSTRACT

Emergence of private sector has brought significant improvement in the growth of life insurance sector. The growth of private sector resulted in introduction of many new policies with variety features. The growth in the sector has also resulted in the increasing threat to the growth of life insurance industry. The lapsation which is considered to be one of the critical problems for the growth of life insurance industry is widening especially in the last 10 years. The present paper will focus on analyzing the reasons of lapsation and fund wise lapsing of policies in the life insurance companies. The study will also contribute to the various competitive strategies to be taken to reduce the lapsation and to increase the growth of life insurance sector.

KEYWORDS: customer retention, IRDA (Insurance Regulatory Development Authority), NP Whole life, WP Non life.